DIPLOMA IN BUSINESS PROCESS OUTSOURCING–FINANCE AND ACCOUNTING

(DBPOFA)

Term-End Examination

December, 2025

BPOI-002/BPOI-102 : FUNDAMENTALS OF ACCOUNTING

Time : 3 Hours *Maximum Marks : 100*

Note : *There are three Sections in this paper. All Sections are compulsory.*

Section—A (Compulsory)

1. (a) Fill in the blanks : 1×5=5

(i) An asset is recorded in books of account at ....

(ii) Accounting Standards bring ………… in the accounting treatments used to prepare and present financial statements.

(iii) Revenue means the income of a ………… nature.

(iv) Cashbook always shows a ………… balance.

(v) The Accounting Standard Board was constitute on ………… .

(b) State whether the following statements are True or False : 1×5=5

(i) Book Keeping and Accounting are synonymous.

(ii) Accounting policies do not refer to specific accounting principles in the preparation of Financial Statements.

(iii) Journal is a book of original entry.

(iv) Ledger account gives the folio of journal.

(v) Compound journal entry is posted to more than two accounts.

Section—B

(Compulsory)

2. Name the different parties interested in accounting information and explain why they need it. 10

3. What do you mean by accounting principles ? Give their characteristics. 5+5

4. What are Accounting Standards ? Explain the nature of Accounting Standards. 5+5

Section—C

Note : *Attempt any* ***three*** *questions including Q. No.* ***5*** *which is compulsory. Each question carries 20 marks.*

5. Journalize the following transactions, post them into ledger and prepare Trial Balance : 5+5+10

2023 Jan.		₹
1	Atul & Co. started business with cash	70,000

3	Deposited into bank	35,000
5	Purchased goods for cash	3,000
6	Bought furniture for office use	5,000
8	Drew from bank for office use	4,100
11	Goods sold to Aman Brothers	2,500
14	Bought goods from Sunil & Co.	1,500
17	Paid Trade Expenses	500
19	Received cash from Aman Brothers	2,500
24	Paid Wages	100
26	Paid Sunil & Company in full settlement	1,500
30	Paid Rent	200
31	Interest on Capital	300

6. Write short notes on the following : 5×4=20

   (i) Branches of Accounting

   (ii) IFRS

   (iii) Trial Balance

   (iv) Bill of Exchange

7. (a) Name *four* errors which cannot be disclosed by preparing a Trial Balance. 10

   (b) What is Capital Expenditure ? Give *six* examples of Capital Expenditure. 10

8. Give the Pro forma of Purchase Journal. Explain the method of recording the transactions in the Purchase Journal and its posting into ledger. 10+10

9. How would you treat the following items while preparing the final accounts if the items are given in adjustment ? 20

   (i) Accrued Income or Income Receivable

(ii) Unearned Income or Income Received in Advance

(iii) Provision for discount on debtors

(iv) Interest on capital

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